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6 **IN THE UNITED STATES DISTRICT COURT**
7 **FOR THE DISTRICT OF ARIZONA**
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9 United States of America,
10 Plaintiff,

11 vs.

12 Sheila Young, individually, et al.,
13 Defendants.

No. CV10-8193 PCT DGC
STAY AND INJUNCTION

14 Pursuant to Defendants' motion, this case is stayed until 30 days following the
15 resolution of the related criminal case, CR-10-8216 PCT DGC. The parties shall, within
16 20 days of the conclusion of the criminal case, file a status report concerning their
17 intentions with respect to this civil action.

18 During the pendency of this stay, Defendants and their representatives, agents,
19 servants, employees, and anyone in active concert or participation with them are
20 enjoined, pursuant to I.R.C. §§ 7402, 7407, and 7408, from engaging in any of the
21 following activities, either directly or indirectly:

22 1. Preparing or filing, or assisting in, or directing the preparation or filing of
23 any federal tax return or amended return or other related documents or forms for any
24 other person or entity;

25 2. Organizing or selling plans or arrangements that advise or assist taxpayers
26 to attempt to evade the assessment or collection of such taxpayers' correct federal tax;

27 3. Engaging in any other activity subject to penalty under I.R.C. § 6700,
28 including organizing or selling a plan or arrangement and making a statement regarding

1 the excludability of income or securing of any other tax benefit by participating in the
2 plan that they know or have reason to know is false or fraudulent as to any material
3 matter;

4 4. Engaging in any activity subject to penalty under I.R.C. §§ 6694, 6695, or
5 6701;

6 5. Directly or indirectly organizing, promoting, marketing, or selling any plan
7 or arrangement that advises or encourages taxpayers to attempt to violate internal revenue
8 laws or unlawfully evade the assessment or collection of their federal tax liabilities,
9 including promoting, selling, or assisting with respect to a scheme in which taxpayers
10 overstate federal income tax withholding and misuse IRS Forms 1040 and 1099 or other
11 IRS forms under claims that:

12 i. Taxpayers have an account with the Treasury Department which
13 they can use to pay their debts and tax liabilities or which they can draw on for refunds
14 through a process that is often called “redemption” or “commercial redemption”;

15 ii. Taxpayers can name the U.S. Treasury Secretary as their fiduciary or
16 can draw on the U.S. Treasury to pay their debt or tax liabilities using IRS Forms 1099,
17 bonded promissory notes, sight drafts or other documents;

18 iii. Taxpayers can issue IRS Forms 1099-OID to a creditor and report
19 the amount on the form as federal income tax withheld on their behalf;

20 iv. Taxpayers can issue other IRS forms that overstate income
21 withholding or purport to appoint US government officials as their fiduciaries;

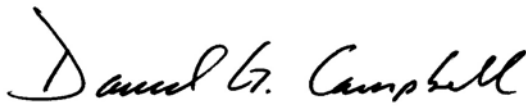
22 v. Taxpayers can use the Uniform Commercial Code (UCC) or other
23 methods to “accept for value” a document dealing with a debt, and that stamping a
24 document with “accept for value” or similar wording will somehow satisfy that debt,
25 including tax debt;

26 vi. Taxpayers may file false IRS Forms 4852 to reduce or eliminate
27 income; and
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1 vii. Taxpayers may report bogus itemized deductions under I.R.C. §§
2 165(g) and 1001, claiming they are entitled to such deductions because they received
3 worthless securities and, thus, never received money for income, or based on the theory
4 that labor is property.

5 6. Engaging in other conduct that substantially interferes with the proper
6 administration and enforcement of the internal revenue laws.

7 Dated this 11th day of May, 2011.

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11 David G. Campbell
12 United States District Judge
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